QUARTERLY REPORT FOURTH QUARTER — 2002

October 1, 2002 through December 31, 2002

VALLEY BROADCASTING COMPANY, LICENSEE OF KVBC-TV, CHANNEL 3, SERVING, LAS VEGAS, NEVADA, HAS DETERMINED THAT THE ISSUES OF CONCERN TO THE COMMUNITY SERVED BY IT ARE AS FOLLOWS:

1. **GROWTH**

Growth continues to concern Southern Nevadans. People continue to move to the Valley, and building and **housing** are doing well, especially with the current interest rates. The net amount of people adds to pre-existing and continuing **traffic** problems, **congestion**, and **transportation** issues. The **environment** and it's protection concerns citizens, with the **water** shortage and the valley's **air pollution** problems. **Yucca Mountain** is a concern to locals by how close the site is and the potential of nuclear waste accidents. **Business** growth is a positive aspect of our community.

2. EDUCATION

As Southern Nevada continues to experience unprecedented **growth**, new challenges face the area's education system. As the state continues to grapple with a growing budget deficit, school **administrations** are facing difficult choices in the allocation of **school funding**. **School activities**, including sports and music, are likely targets for reductions in funding. The **safety** of students while at school continues to be a significant issue. A recent string of sexual misconduct incidents between **teachers** and students has forced administrators to reexamine hiring practices. **School violence** continues to be a concern due to the prevalence of teenage gangs and to constant social pressures.

3. CRIME and SAFETY ISSUES

The events of September 11th have everyone concerned about **Homeland Security**. Citizens want to know what is being done to prevent another terrorist attack on the U.S. **Sexual abuse** is another issue on the minds of valley residents. As Las Vegas grows so does the problem of **drugs and alcohol**. **DUI's** have become a major dilemma, making our roadways a dangerous place to drive. As the threat of war looms over our great Nation another war is being fought on the streets of Las Vegas. Residents fear that **gangs** and gang violence will become a valley wide epidemic.

4. <u>LIFESTYLES</u>

A major concern for many valley residents is **health** and **medical** care. Some parents would like to see a hospital specifically for children. Other residents want to know if they can get the proper care here in the valley. Since Vegas is a **24/7 town**, many work different shifts, many in the **casinos**. There are also many residents who like to

gamble and are interested in the next and best place to game. Many residents also love the location of Vegas and the convenient **getaways** to the mountains for hiking, camping and skiing. **Family and friends** also play a big part for residents, especially since the attacks on America. Many people continue to show **patriotism** and more residents want to spend time with loved ones. The activities in the Valley help families ensure that bond.

5. **ECONOMICS**

The majority of valley residents are concerned with the rising cost of **utility prices** and the misleading reasoning behind the hikes. The economy continues to be strong due to steady **tourism** in the valley. Although the **cost of living** is still an attractive attribute for many moving to the area, **job security** is still an issue for many.

THE PROGRAMMING AND PUBLIC SERVICE ANNOUNCEMENTS PRODUCED AND AIRED BY VALLEY BROADCASTING COMPANY RESPOND TO THESE LOCAL ISSUES OF CONCERN. ILLUSTRATIVE IS THE FOLLOWING LIST OF PROGRAMMING AIRED DURING THE REPRESENTATIVE WEEKS OF: October 14-20, 2002, November 11-17, 2002 and December 9-15, 2002.

STORIES APPEARING ON NEWS 3 SUNRISE, NEWS 3 AT SUNRISE, NEWS 3 TODAY, NEWS 3 AT NOON, FIRST NEWS 3 AT FOUR, NEWS 3 AT FIVE, NEWS 3 AT SIX, NEWS 3 NIGHTSIDE, NEWS 3 SUNRISE, THE WEEKEND REPORT, NEWS 3 TODAY, THE WEEKEND REPORT, NEWS 3 AT FIVE, THE WEEKEND REPORT, NEWS 3 AT SIX, THE WEEKEND REPORT, AND NEWS 3 NIGHTSIDE, THE WEEKEND REPORT ARE OF A 1 MINUTE 15 SECOND/1 MINUTE 45 SECOND DURATION. STORIES APPEARING ON MSNBC RUN AT EITHER 2:26PM, 3:26PM; 4:26PM; 7:26pm; 8:26PM, 9:26PM; OR 10:26PM FOR A 3 MINUTE DURATION.

INSTRUCTIONAL PROGRAMS APPEARING ON NEWS 3 INCLUDE: (1) HEALTHLINE 3, WHICH FEATURES MEDICAL BREAKTHROUGHS, HEALTH WARNINGS, MEDICAL STUDIES, AND PREVENTATIVE CLINICS; (2) "BABY YOUR BABY" OFFERING INFORMATION ENCOURAGING WOMEN TO SEEK EARLY AND CONTINUOUS PRENATAL CARE; (3) CRIMETRACKER, WHICH FOCUSES ON THE LATEST CRIME FIGHTING TECHNIQUES AND SPECIAL PROGRAMS PROVIDED BY LOCAL POLICE FOR THE COMMUNITY AND ANY HONORS OR AWARDS GIVEN TO POLICE; (4) "THINK BEFORE YOU DRINK"; (5) WEDNESDAY'S CHILD, A PROGRAM THAT BRINGS CHILDREN AND FAMILIES TOGETHER; (6) MAKE A WISH, A PROGRAM THAT HELPS GRANT THE WISHES OF A CHILD WITH A TERMINAL OR LIFE-THREATENING ILLNESS; (7) SAVING YOU MONEY, WHICH FOCUSES ON TIPS TO MAKE YOUR DOLLAR GO A LILTTLE FURTHER AND STORIES ABOUT THE ECONOMY; (8) KIDS FIRST, WHICH PROFILES WHATS HAPPENING WITH OUR KIDS, BOTH POSITIVE AND NEGATIVE TRENDS, AND EDUCATION RELATED TOPICS; (9) WWW. KVBC.COM, OUR WEBSITE, WHICH FEATURES CRIMETRACKER, BABY YOUR BABY, MAKE-A-WISH, WEDNESDAY'S CHILD, SAVING YOU MONEY, AND KIDS FIRST INFORMATION 24 HOURS A DAY.

ADDITIONALLY, KVBC IS A STATION AFFILIATED WITH THE NATIONAL BROADCASTING COMPANY, INC. TELEVISION NETWORK. THE STATION CARRIES REGULARLY SCHEDULED PROGRAMMING OF THAT NETWORK WHICH INCLUDES PROGRAMS WHICH RESPOND TO ISSUES OF IMPORTANCE TO THE COMMUNITY.

KVBC ALSO PERIODICALLY HOSTS A "CALL 3" PROGRAM. THIS IS A NEWS AND INFORMATIONAL-TYPE PROGRAM, WHICH IS BROADCAST ON AN AS-NEEDED BASIS, DICTATED BY EVENTS AFFECTING OUR COMMUNITY. EXPERTS, EXPERIENCED IN THE TOPIC KVBC COVERS, ANSWER ONE OF SEVEN TELEPHONES IN THE "CALL 3" ROOM AND RESPOND TO SPECIFIC AND DIRECT INQUIRIES FROM THE COMMUNITY AT LARGE. THE CALL-IN PROGRAM ITSELF IS CONDUCTED OVER A ONE TO THREE HOUR PERIOD AT THE TELEVISION STATION. KVBC DOES LIVE CUT-INS DURING "CALL 3" WHICH EITHER RUN DURING NEWSCASTS, NEWS SPECIALS AND/OR DOCUMENTARIES.

THE STATION ADDITIONALLY BROADCASTS "COMMUNITY BILLBOARDS", A 30 SECOND SPOT WHICH AIRS 2X PER WEEK IN THE TODAY SHOW AT APPROXIMATELY 7:20AM. A SEPARATE 60 SECOND COMMUNITY BILLBOARD ALSO AIRS IN ROTATION MONDAY THROUGH SUNDAY. COMMUNITY BILLBOARD SEGMENTS, WHICH AIRED DURING THIS QUARTER, ADDRESSED THE VARIOUS AND CURRENT ISSUES OF SOUTHERN NEVADA COMMUNITY AND ADVISED CITIZENS AS TO THE DAY AND TIME OF RELEVANT EVENTS IN THE COMMUNITY AND PROVIDED A CONTACT TELEPHONE NUMBER.